Board of Directors Meeting Minutes
August 3, 2006
1:30 p.m. – 4:00 p.m.
Legislative Services Building
200 E 14th Ave.
Hearing Room A, 1st Floor
Denver, CO

I.   Call to Order: 1:37 p.m. Chairman Cadman

A.   Roll Call

Arrowsmith, Cadman, Cooke, Dennis, Feingold, Jenik, Marroney, May, Picanso, Sobanet, Wells

Excused: Williams, T.

Quorum Established

B.   Introduction of Audience

C.   Approval of July 6, 2006 Meeting Minutes of the SIPA Board of Directors

Representative Cadman called for a motion to approve the July 6, 2006 minutes.

Discussion:

Senator May asked how the Board would ensure that they address everything in the meeting minutes.

Gregg Rippy stated there is an Action Items Report included in the packet that the Board receives prior to the meeting each month. However, Gregg Rippy stated, if anyone sees something that is not covered to please let him know.

Representative Cadman suggested that it might be helpful to note when something that is discussed during the meeting is an action item.

Senator May stated that in the July meeting there was a lot of discussion about the audit. He asked if it was still an issue or if it had been covered.

Gregg Rippy stated that the issue had been covered.

MOTION: to approve the July 6, 2006 SIPA Board of Directors meeting minutes.

May/ Feingold

APPROVED UNANIMOUSLY

II. Committee Reports

A. Business Committee, Michael Cooke

Michael Cooke reported that the Business Committee was assigned a task at the July meeting. She stated that the committee would assemble sometime in August and bring a report back to the Board in September.

Gregg Rippy asked to bring a few issues before the Business Committee at the meeting as well.

ACTION ITEM: The Business Committee will meet to discuss updating the SIPA annual business plan as well as some issues that would be brought forward by Gregg Rippy.

B. Contracts Committee, Gregg Rippy

Local Government EGE Agreement

Gregg Rippy reported that the Contracts Committee continues to attempt to formulate a template for an EGE Agreement with local government. He invited Jack Arrowsmith and Richard Westfall to weigh in on his report as well. Gregg Rippy continued to say that the intent is to create one EGE Agreement that could be utilized virtually unchanged with all 64 counties and as many cities, towns or special districts that may choose to do business with the portal. He explained that the process of creating the template has taken longer than expected, but it is coming along. Gregg Rippy reported that Douglas County has approved the proposed EGE Agreement, and the City and County of Denver is currently reviewing it. He stated that he would hope that having both Douglas and Denver Counties approve the EGE Agreement would help to ensure that the agreement is robust enough for all local government entities. Gregg Rippy stated that the process has also involved education about what the EGE Agreement covers. He added that the EGE Agreement is a very basic agreement, and the guts of a project are covered in a work order.

Department of Revenue Amendment to the EGE Agreement

Gregg Rippy reported that thanks to Michael Cooke, Richard Westfall, and Colorado Interactive, a resolution was reached on the amendment to the Department of Revenue EGE Agreement. He explained that the controller and the AG had a few changes on the agreement, but now all parties are in full agreement. The amendment has been signed and implemented.

C. Finance Committee, Henry Sobanet

Henry Sobanet stated that he had no report, which he stated is good news now that the Board is becoming a governing body.

Henry Sobanet asked Gregg Rippy to provide some financial highlights.

Gregg Rippy reported that the good news is that SIPA continues to remain ahead of expectations. He noted that some of the personnel expenses would be reduced, while some expense would be increased with SysTest as Dan Wenger comes on as a part- time CTO. Gregg Rippy noted that Dan Wenger has already begun helping with a few items. Gregg Rippy went on to explain that as SIPA gets through the first year of the Self-funded Model, the goal would not be to stockpile money. Instead, the higher than expected revenues would be used to quickly build up a reserve. Gregg Rippy went onto explain that revenues are above expectations, and he stated that he hoped the Board was happy with the May through June report. He explained that the Board did not yet have the July report because they prefer to send it out in rears as soon as all the numbers are received.

Senator May suggested that rather than having three sheets, perhaps the report could be created to show only two months on one sheet.

Gregg Rippy explained that the office was using an accounting package, but he would work with Senator May to get him the report that he wants.

Senator May stated that he just wants the report one page so that he doesn't have to flip pages. He stated that he also likes the idea of having a reserve.

D. Personnel Committee, Rep. Cadman

No report.

III. New Business

A. Executive Director Report, Gregg Rippy

Content Management

Gregg Rippy reported that the content management system is live, and training has really picked up. He added that Colorado Interactive is getting a great response. However, Gregg Rippy stated that if Tambor Williams were here today, she would have brought up one issue.

The issue, he reported is that we're struggling with two different entities having input on what the look and feel is in regards to the templates. He explained that the Office of Economic Development and International Trade (OEDIT) has control over the look and feel of Colorado.gov. SIPA and CI are struggling with trying to work within OEDIT's boundaries, while trying to give the agencies what they want. For example, DORA was very disappointed in the templates. Gregg Rippy went on to explain that we are handcuffed and flexibility is very limited. Gregg Rippy added that it isn't an intentional clash between SIPA and OEDIT. He stated that he would ask that the Board give him an action item directing him to meet with Brian Vogt at OEDIT to see if SIPA could get some more control over the look and feel while making sure that the current branding initiative is maintained.

Discussion:

Michael Cooke stated that she was confused about OEDIT owning the look and feel of Colorado.gov. She explained that she knows Brian Vogt was very involved and worked with a team to develop the branding concept, but she asked if that meant that OEDIT owned and managed the Colorado.gov look and feel and if all changes had to be approved by them.

Gregg Rippy stated that he understood that the concept was developed before the portal was in formation. He added that the Governor was desirous of changing Colorado.gov and having a consistent branding. Gregg Rippy stated that he believed that OIT was included in this as well because as Leroy Williams began to phase out, OIT fell under OEDIT's shop. He added that they started to develop the look and feel, and OEDIT was in control. He asked John Picanso for any input.

John Picanso explained that Arlene Booker's staff (OIT) was involved with the development of the branding initiative. Brian Vogt's office sought and acquired some graphic and other items to compliment advancing the Office of Economic Development and International Trade's initiative. OIT felt that they needed to support the initiative, and this all occurred before the portal and content management were a reality. He explained that this is how we got to where we are today.

Gregg Rippy stated that he didn't believe it is intentional turf protection, but it just needs to be resolved.

Henry Sobanet stated that the look and feel would always be a sensitive issue. The reason for the change in January 2005 was that everyone was talking about the portal, but the Website looked the same. The Governor wanted to show progress. The branding initiative is the most important issue, and the Website is simply a component of the branding initiative and the direction the state wants to go. The corollary is that we hope the branding continues because a consistent brand is

in the interest of the state regardless of elections. He added that in the private sector, a company like Allstate wouldn't let a division make their own look and feel. It's a balancing act. Down the road there might be a new CTO who wants a different look and feel, but the best thing we can do is show that this was a part of a lot of marketing research. At the end of the day, you have to pick a design even if there might be five others that are also very good. He added that he thinks Gregg Rippy should be talking to Brian Vogt, but the portal is only one slice of the branding.

Gregg Rippy stated that he didn't disagree, but we need to put our work effort together. Some conversation is needed, and he stated that he would like an action item to engage with Brian Vogt to come to a consensus that meets exactly what Henry Sobanet stated. We don't want to mess anything up, but we also want to have a good look and feel. He added that he knew any tweaking would be slow and well thought out for a good reason. Now there are some reasons to broach the topic.

Jack Arrowsmith stated that he had another thing to keep in mind. He shared that Douglas County tried to incorporate a new look and feel, but it is also amazing how much citizens like to be able to go from one site to another with the same look and feel. If we change this every few years, it will bother the citizens.

Henry Sobanet explained that they chose the word "Colorado" in the color and the font it is now because the user groups liked it well. He added that the point is well taken, and he would expect the current Board could provide some transitional history about this topic.

John Picanso stated that for clarification, the content management product is getting in the way of the look and feel. He stated that he believed that some agencies want to have some more robustness with the look and feel, but the toolbox is keeping the agencies from doing some of those things. He asked Colorado Interactive for clarification.

John Thomas of Colorado Interactive stated that he would touch on both points. He explained that the content management system does have limitations, but that is only because of the templates that CI has built. Colorado Interactive knew there was a deadline, and so they had to come up with templates that would help everyone. They do have the ability to create more templates if the Board directs them to do so. Colorado Interactive does not want to take away from the Colorado branding. There were simply some guidelines set by OEDIT, and Colorado Interactive deferred to OEDIT's judgment because they wanted to maintain a good relationship. He stated that in hindsight, it might have been worthwhile to push the issue a little bit more. Currently the banner says: "Colorado welcome to…. Agency X". Under that banner, the agencies are requesting to include more of their own branding. However, OEDIT is of the opinion that seals and other agency branding might take away from the Colorado branding. Colorado Interactive would like to have a little more leeway to be able to give the agencies what they want out of the banner.

Jeff Wells stated that he met with Brian Vogt last week and mentioned that same theme to him. DPA wanted to use the state page but also wanted to use our own logo. Jeff Wells stated that Brian Vogt seemed quite receptive, and it wouldn't be the first time he has heard it.   We need to

keep the Colorado branding scheme, while allowing agencies to maintain their own branding as well.

Tina Montoya, CIO for the Department of Regulatory Agencies, stated that DORA's concern was that they wanted the second layer of the banner to look official. The current templates do not allow a seal or anything that looks official. "Welcome to Colorado…" does not look official; we simply need to determine what "official" will be.

MOTION: to give Gregg Rippy the directive to speak on behalf of the SIPA Board to Brian Vogt at OEDIT to come up with a resolution for the branding issue.

Sobanet/ Dennis

Discussion:

Senator May asked if the Board was sure that a meeting just between Gregg Rippy and Brian Vogt would solve the issue. He added that agencies are very particular about their logos.

Greg Jenik joined the meeting, and Chairman Cadman explained that the motion on the table was to authorize Gregg Rippy to meet with Brian Vogt to come up with a solution that would maintain the Colorado branding, while giving agencies flexibility in their templates.

APPROVED UNANIMOUSLY

> *Google Search Engine*
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> Gregg Rippy reported that the launch of the Google search engine has gone well, and there are nine departments in the queue to add the tool to their Website. He added that there is a great deal of flexibility in how Google could be used.
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> *Registered Services*
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> Gregg Rippy reported that registered services recently went live. He explained that this was similar to an EGE Agreement with non-governmental entities that do business with the portal. This is simply an agreement with which those entities must comply.
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> *Payment Engine*
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> Gregg Rippy reported that the payment engine is up, and it continues to be enhanced. He noted that some application requests would require enhanced coding to deliver to multiple COFRS accounts. He hesitated to provide a timeline, but he stated it would be given priority. The payment engine is available for cities and counties as soon as an EGE Agreement is completed. He added that the payment engine would be a big boost to the portal with nationwide press attention and marketing.

Discussion:

Senator May stated that the group had discussed the audit classification, and now SIPA is on a calendar year. He noted that this would change what we do significantly.

Jeff Wells asked why this was decided. He noted that to him the classification didn't make much sense.

Gregg Rippy stated that the person at the State Auditor's office said that unless there is something specific that says otherwise, the portal would be on a calendar year rather than a fiscal year.

Jeff Wells suggested that it be fixed.

Gregg Rippy added that legal counsel could have some opportunity to review the statutes.

Senator May explained that he spoke with Dan Cartin who studied the statutes to determine that SIPA is a governmental entity, and there are seven or eight other entities in the same boat.

Gregg Rippy noted that he had not spoken with any of the other authorities to see if they use a fiscal or calendar year, as he only received the response early this week. He added that he felt comfortable with being classified as local government.

Senator May asked if the Board would like him to ask legislative staff to do some research.

Gerald Marroney suggested that running the bill might be an easier solution.

Senator May stated that he was not sure that running a bill would be the easiest solution.

Richard Westfall, legal counsel, noted that all special authorities are deemed local government.

Gregg Rippy explained that the real issue is whether SIPA is supposed to use a calendar or fiscal year.

Henry Sobanet suggested that if Senator May would like to ask advice it would be fine, however at some point the Board has to pick its own opinion. He explained that the reason the Board has legal counsel is to do just that.

Gregg Rippy continued that the impact is not large, as SIPA is just now entering its first audit cycle. He added that SIPA would have to apply for an extension this year, but it would not be a problem. The audit would be for the year 2005. Gregg Rippy stated that when the report is given to the legislature, the audited statement could be included in the report. It would be a year in the rears or we could give them a current statement of condition.

Jeff Wells stated that he disagreed. He explained that additional impact would be reflected by what the departments could put on the portal. Since departments' decision to work with SIPA is based on their appropriations, it helps to be tied to the same fiscal year.

ACTION ITEM- to clarify and maintain a fiscal year rather than a calendar year and contemplate a change in January.

SIPA Office Space Status

SIPA will be moving to the DPA office space in September. Gregg Rippy explained that SIPA moved out of 1600 Broadway and moved into an office with Colorado Interactive for the month. The mailing address and phone number will remain the same until SIPA moves into the DPA space. Gregg Rippy joked that occupancy expense would be zero dollars for the next month.

Special Session

Gregg Rippy stated that Michael Cooke would probably know the most about the ramifications of the Special Session. Gregg Rippy stated that he was in a little bit of limbo on the outcomes of the Special Session. He asked how people doing business with DORA or DOR would be verified. He added that he wasn't sure if the AG has settled on how to verify people online to make sure we are complying with 1023 and 1017.

Discussion:

Michael Cooke stated that she was still waiting for some direction from the AG on that question, specifically for those individual DOR licenses as a public benefit on the bill. She stated the question is if licensing could continue online or through mail. She noted that it is not necessary to specifically see the document in order to give the benefit. She stated that DOR would be subject to audit by the State Auditor's Office, but they would be checking to make sure that DOR verified identity. Therefore a good mechanism needs to be in place, and it will certainly be a challenge. She stated that she has asked for additional clarification.

Michael Cooke explained further that CI has been working very hard on an application with Auto Dealers Salespersons Licensing for renewals and initial licensing. To satisfy the issue of identity verification, a system was built where the dealer accepts the license application in accordance with 1023. In the application process, the dealer attests to having seen the application, records the date of birth and expiration date and keeps it in their office. This entire process was sent to the AG's office to see if it would work for lawful presence, and they are still waiting for a response. She stated that she thinks the process would work well because the dealer is completing the process as a third party. When the actual applicant is completing the process, it would be a much bigger challenge. Again, she stated, that she is waiting for more direction.

Richard Westfall stated that an analogy that might be useful in this context is the way voter registration works. He explained that currently a voter is tagged in the SOS database until he or she shows identification somewhere. After the voter is verified, the tag is removed. He suggested that perhaps the same mechanism could work in this context.

Michael Cooke responded that they could look at that, but she explained that they are really trying to avoid a person having to visit an office physically. She stated that if someone still has to make a trip to an office, then having the service online is pointless. She stated that it's difficult because a valid license can be verified, but there is no way to tell who is actually submitting the license. For example, drivers' licenses are only mailed to the address on the license, which is one form of verification.

Gregg Rippy stated that this is one of those issues that would be an immediate challenge in keeping the applications in the queue moving forward. He added that, on the other hand, it opens a door of opportunity for the portal to try and find a solution for verification. He stated that we could start thinking of ways to comply. We might need some legislative help if we think we have a way to reasonably verify that doesn't quite fit under that legislation that passed during the Special Session.

Senator May stated that it sounded like the same problem that Tambor Williams has at DORA in regards to licensing real estate agents. He added that if he is not mistaken, the broker does the licensing. If the broker can handle the licensing rather than DORA, it might solve the problem. Senator May stated that he met with the Denver Auto Dealers Board of Directors and they are very anxious to see Auto Dealers Salesperson Licensing come on line as well as CSTARS. He noted that DOR was probably pretty anxious too.

Gregg Rippy clarified that the Auto Dealer Salespersons Licensing is ready to go as soon as we can figure out how to comply with 1023.

Chairman Cadman suggested starting with renewals.

Michael Cooke responded that a renewal is still considered an application for benefits.

Senator May asked if the licensing would only be for the salespersons.

Gregg Rippy responded that the license is for the salespersons, and the dealers were not anticipated to be the license sponsors. However, he stated that this could be a reasonable test for 1023.

Henry Sobanet stated that all of government is working on a solution to this. He explained that as he looks ahead, he thinks some sort of centralized approval or checking might be the most cost effective solution. He added that perhaps the portal could serve as that mechanism or at least the portal in concert with something else.

Michael Cooke explained that a salesperson license is unique and allows the dealer to submit the license because the dealer issues the sales license. When DOR gives them the dealer license,

they are licensed to a specific dealer. It is important that the dealer does this because they hold the license.

Senator May stated that real estate is the same way, and there should be some kind of resolution. He suggested having some contact with the Colorado Auto Dealer's Association.

Gregg Rippy stated that he talks with them regularly.

Senator May stated that in the last meeting there was an issue with the insurance database, and he asked where we stood on the issue.

Michael Cooke responded that she had a good meeting with the industry. There was also a meeting with the technical staff of major insurers and some issues with CI about how they would deliver updates. She reported that they are working through some issues but proceeding on. She noted that the amendment to the EGE was also approved.

Senator May asked about the private company.

Michael Cooke answered that they are here until the end of the calendar year, and they are expecting it to roll over to the portal next year.

Gerald Marroney suggested that everyone should take a look at CRS 24-37.7-113. He explained that it talks about the SIPA annual report, which sets the fiscal year starting July 1.

Gregg Rippy stated that he would communicate that to the auditor.

Senator May brought up that he continues to get questions about credit card costs.

Gregg Rippy asked if he was talking about the consumer side.

Senator May stated that someone picks up the fees, whether it's the buyer or the seller. He stated that he was just getting a lot of questions.

Gregg Rippy stated that when working with the agencies regarding the payment engine, all of the criteria are spelled out on the Website. It would be part of the payment engine application tool on a particular application. For example, DORA absorbs the credit card fee on some of their applications. The consumer may pay sixty dollars for the license, and the net amount that goes back to the agency is the sixty dollars less the credit card fee.

Gregg Rippy explained that the State Controller has four criteria, which must be followed. First there must be an alternative method to complete the transaction if there is an extra fee. If the consumer is willing to pay the credit card fee and the agency is passing the fee along, there are different scenarios that determine the fees.

For example, if the payment engine were incorporated onto the agency's original site -requiring no application development from Colorado.gov – there would be 2.25 percent credit card fee

plus a 75-cent merchant and processing fee. If the agency requires payment engine integration with an application developed by Colorado.gov, the credit card fee would be 2.25 percent, plus a 25-cent merchant fee, plus a negotiable transaction fee.   Gregg Rippy stated that to answer the question, each one would probably be different and unique depending on the issue and the task order with the Eligible Governmental Entity.   A lot of it has to do with agencies and TABOR.

Senator May stated that Jeff Wells probably remembers that a lot of these fees are written into statutes, and they are all different. For example, DORA pays the fees in lump sum, and it makes sense for them. He stated that if it were to be done that way, it would take a change in law. If something new is coming in, it should be structured where it is included in the fee. It's very confusing to the public to charge all the extra fees. Senator May asked Jeff Wells his advice and whether or not a change should be made to all of the statutes.

Jeff Wells stated that a change in statute could create problems with TABOR.

Senator May stated that it's a question of whether or not the fee is included in the lump sum or added.

Jeff Wells stated that every licensing program goes through a sunrise and sunset committee.

Senator May stated that the sunset used to be monitored much better. He stated that he recently saw one that was supposed to go out fifteen years ago. He stated that he might ask the legislative counsel.

Gregg Rippy responded that there could be some barriers when going through sunset. For example, something is ten dollars now and we are going to raise it to twelve dollars and fifty cents.   Maybe inflation happens and credit card fees are no longer 2.2 percent, but rather the fees are 3.5 percent. It is the intent of the portal that those bank and credit card fees are simply pass though charges, and we're not trying to make any money off of them. Gregg Rippy stated that some might remember Spradley who said that legislators should have the responsibilities to work with fees rather than agencies. There are going to be some problems in how to do this best. Gregg Rippy stated that for the short term, he feels comfortable with executive directors determining how this will affect their budgets. It must remain revenue neutral. It will be a lot easier to work with new online services rather than those that are already online. Renewals of licenses and fees set in statutes will have to be set by the executive directors of agencies. The Controller is agreeable as long as those four criteria are met, and paying an extra fee is a conscious decision made by the consumer.

Gigi Dennis stated that she understood the bank fees, but she is a little fuzzy about the fee that Colorado Interactive would be charging. She asked if the 2.5 percent is their cut as part of the processing or if it is part of the service for the bank.

Gregg Rippy clarified that it is the fee to the bank, and he added that it is actually 2.25 percent rather than 2.5 percent. He also stated that there is a transaction fee and a merchant fee.

John Thomas stated that the fee depends on the situation. If it were a credit card fee for a new online service, it would be 2.25 percent plus twenty-five cents. If it were an e-check, the fee would be one dollar. The 25 cents allows for bogus transactions. There is a substantial fee for bogus transactions, and the 25-cent fee would cover those.

Gregg Rippy stated that the 2.25 percent is the bank fee for VISA, American Express, etc. It's a melded average, as some are higher and some are lower.

John Thomas stated that there is a new document on the SIPA Website that describes all of this.

Michael Cooke stated that she believed Gregg Rippy answered the question. She explained that she had been operating under the assumption that if something were moved to the portal that has a statutory fee the statutory fee would be protected. If the consumer chooses to complete the transaction through the portal and there is a convenience fee, the consumer makes the decision whether or not to pay that convenience fee. It is an agreement between the consumer and the third party.

Gregg Rippy responded that Michael Cooke's explanation was very accurate. He stated that it took a long time to perfect the language to make the Controller comfortable that the convenience fee is not a tax increase.

Jeff Wells stated that this was a problem at the Controller's office regarding DORA. This was when they were allowing a third party to handle the testing and licensing function rather than the state. The previous Controller deemed this to be TABOR revenue. However, a person does not have to personally show up for the licensing. Jeff Wells explained that if he hired a cab driver to go and pay for his new license, the money he paid the taxi driver does not count as TABOR revenue. Jeff Wells added that unless CDLE has changed rules, they could not charge any fees for unemployment insurance, including notary, checking fees, etc. He stated that he is not sure how that would be addressed.

John Thomas stated that the State Controller has taken this all into consideration, and Colorado Interactive has demos available as to how the application would be presented to the end user. For example, there is a statement that says Colorado Interactive is an agent to deliver this service. It also says that this is only an option, and Colorado Interactive is not the sole provider of this service. According to the State Controller, the current wording should cover all of these issues.

Senator May stated that the last time he went camping he reserved a camping spot for seven days. He stated that they charged a flat fee of ten dollars per night and no fee for service.

Gregg Rippy stated that there is a way that they get their money. He stated that he wasn't sure what deal they had, but they are probably remitting the net back to the state parks. The service fee is most likely included in the ten- dollar flat fee.

Bob Feingold stated that it is the same cost if you do a reservation over the telephone or over the Internet.

Gregg Rippy stated that there is a convenience fee included somewhere, whether it is inside or outside the fee charged.

Jack Arrowsmith stated that the IRS has offered a service to pay your taxes for years, and it is considered a convenience fee.

Jeff Wells stated that it solves the problem for the employer paying but probably not for the claimant.

> *NIC Partner Conference*
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> Gregg Rippy reminded the Board about the NIC Partner Conference. He stated that Colorado is unique in our governance, and it would be neat to see how the other states work. He added that there was an agenda in the packet.

Discussion:

Senator May stated that he had a couple of concerns. His first concern is that the only revenue stream for the portal is through DOR, and we need to predict some additional revenue streams.

Gregg Rippy responded that the payment engine would generate some income. If we were able to generate a large percentage of transactions, income would come from the transaction (convenience) fee rather than bank fee. It is not the intent of the portal to make money of bank fees; it is simply a pass through. He added that we are looking at other revenue streams as the departments bring applications forward. Gregg Rippy added that it is a valid point, but he stated that he would point out that we are fortunate that those numbers are sustainable. We would rather be on this side in the beginning rather than having 80 percent of applications bearing a fee rather than only 20 percent of applications bearing a fee. It would leave a bad taste saying that the portal charges for everything. He agreed that we do need to shore up revenue streams, however.

Senator May stated that as he looks at projects in the queue, his concern is that DORA only has one project on the list. He stated that it concerns him because DORA has things that wouldn't be a big deal to add to the portal. He stated that his impression is that the Governor would like to see that done. He added that the Department of State only has a couple of projects as well. Senator May stated that there are even counties in the queue, but not all of the agencies are in there.

Gregg Rippy stated that nobody is doing anything wrong. He stated that it seems like people kind of want to see how it works first. There are some agencies that are more geared up and have a large core competency. Others have everything well under control, and they don't want to mess it up. He stated that as new needs come up, agencies have been talking to the portal, and there are varying needs. There is no rush for anyone to convert. He stated that he actually feels really good about the way it is going. The content management is helping a lot. The key is to show value added, and we will get better as time goes on.

Senator May stated that he ran this bill for cyber security, and some agencies don't have the security that the portal can offer.

Gregg Rippy stated that the philosophy that has been working with agencies and CI is talking about how to provision things. When there are more things on the portal, they become hooks. Before agencies know it, they are part of the portal. From a security standpoint, we are protecting all of the Websites. He explained that IBM presented vulnerability and patch management. However, CI has taken a system wide security assessment protocol that they are engaged in right now. Security is one of those things that you have to have some level of trust on the people doing the security and vulnerability assessment. It could be a risk, but it could be low. Gregg Rippy stated that this was the direction he was taking, but he asked the Board to let him know if they expected something else. He stated that he was asking for a policy where the Board validates to him that CI meets a certain level of security. Otherwise, those doing the test could just be looking for something.

Senator May stated that he was not concerned about what goes through the portal, instead he is worried about what doesn't go through the portal.

Gigi Dennis reverted back to Senator May's original concern about some agencies only having one or a few projects in the queue. She stated that there is still a lot of work that has to be done by agency staff, and it really comes down to the agency's priority. When you look at the Department of State's prioritization, for example, the legislature gives mandates and the department runs out of IT people to work on something. Notary, for example, has been caught up in 1023 and how we must verify identity. Gigi Dennis explained that it isn't that the Department of State doesn't want to get involved, rather it has to do with mandates and funding resources.

Senator May asked Gregg Rippy when he wanted to do a presentation in Colorado Springs.

Gregg Rippy stated that they would figure out a date.

Senator May stated that he was thinking of having the chamber, realtors, car dealers and others who would be using the portal at the event. He added that perhaps we could send out invites and have it in a public place.

Senator May stated that Jack Arrowsmith has been hot on eRecording, and analyzing it in his county. One of the foot directors is the public trustees, and Senator May stated that he felt like we needed to outreach to the public trustees and show what it could do for them.

Jack Arrowsmith responded that they had been working with public trustees, and they are one of the largest submitters to the county clerks. He added that if there were something you can do to help us, we would welcome it.

Senator May stated that Gregg Rippy gave a good briefing at the Digital Government Summit. He suggested if we had some opportunity, we could stir up the public trustees.

Jack Arrowsmith responded that it was a great idea. He noted that the public trustees have a conference coming up in October.

Gerald Marroney asked if something could get written up about the payment engine including what it is and what it does.

Gregg Rippy stated that it is available on the SIPA Website.

Gerald Marroney suggested advertising that to the executive directors.

Greg Jenik asked if there was a market strategy. He asked if it was a push-pull strategy. He suggested that someone from the private sector could help to get you into different areas. He asked if there were areas the Board could help to get the public involved.

Gregg Rippy stated that there are a couple of upcoming events in Grand Junction and Colorado Springs. He stated that SIPA would always welcome free media or events.

Senator May stated that he was looking at the SIPA Web page, and it doesn't list the staff.

Action Item: Add staff contact information to the SIPA Website.

B.   General Manager's Report, John Thomas

Executive Summary
 John Thomas reported that the content management system is moving along well. He explained that departments are now scheduling for training. OIT completed training, and Treasury, Agriculture, and Cyber Security are scheduled to come in next. The trainings are regularly scheduled, and the content management is generating a lot of phone calls. There are about 10-15 departments interested, and several are still trying to get their own ducks in a row before they come to Colorado.gov. Some of the sites are so big that the agencies have to get their data organized before they can use content management. There is a content management team including a dedicated project manager and developers. Between the Google setups and migration from the Hurricane server, their plate is full.

Application Queue
John Thomas reported since the project request process has begun, CI has received over thirty project requests. He noted that he knows of at least ten more on the way, and the number is growing exponentially. He stated that the Board should feel good that the word is spreading and agencies are coming to the door. John Thomas added that there are seven projects in Tier One or Active Development. There were two others that they were hoping to develop, but 1023 and some emergency circumstances at DOR came up. However, those are now in testing, and they should be up in the next couple of weeks.

In response to the concern for additional revenue sources, John Thomas explained to Senator May that in looking at the application queue there are several coming up that have a small fee. The portal makes money by several small revenue streams.

John Thomas reported that Auto Dealers Licensing is in testing, and it will be the first application to use the payment engine.

There was a press release about Google, and it has generated a lot of interest. There are currently nine agencies that would like to use it so far. That number will grow significantly.

Project Highlights
The Google Search Engine has been implemented, and it provides very good results.

Project Report
        Registered Services Site
John Thomas explained that the Registered Services site is an application required in order to grant access to trusted business customers. For example, if we are to provide auto dealers the ability to license people online or a small company to pull up records, we want to make sure that they are trusted individuals. We don't want to give access to just anybody, and therefore it would be similar to a third party EGE Agreement.

        Salespersons Renewals
There is a difference between licenses and renewals, and they realized it would be much larger than anticipated. They will start on licensing first and then renewals.

        DPA Directory
The content management system will allow the building of an accurate directory. For example, someone had a cougar in his backyard, and he didn't know how to get help. Using the content management system, each of the administrative assistants would build a list of keywords for the Website. This is going through the pre-planning stage.

        Holder Reporting
Treasury is now ready to move forward on this project. This is the next step in the unclaimed property, which allows businesses to submit.

        License Reinstatement
This has currently taken a backseat. However, John Thomas noted that there are a lot of projects from the Department of Revenue in the queue. He stated that the department has really been great in making things happen.

Web Accesses
The number of Web accesses has remained constant. The hope is that as the number of services grow so will the number of Web accesses.

Service Metrics

The service metrics increased from 4000 hits last month to 13000 hits this month, which is significant! This is attributed to the marketing that was done over the last month. Over 30 big name groups picked up the GCP press release throughout the United States and even Europe.

Financial Report
The finances remain strong and consistent. Total revenues for the month of June were 569.378 dollars, and the SIPA revenue share was 48,721 dollars.

Marketing Activities
POETS Presentation
Jack Arrowsmith, serving in the capacity of Chairman of the Education Committee of the Electronic Technology Fund Advisory Panel, met with a group of real estate lawyers called POETS. There are seventy members in the group, and they have been around for a number of years. Willis Carpenter serves as the Chairman of the group, and he shared that the last person to be added to the group was on a waiting list for five years. The group was very attentive and interested, and some members even stayed after to ask additional questions.

Great Colorado Payback (GCP) Press Release
The GCP press release has generated a lot of interest. John Thomas also stated that Brian Anderson at the Department of Treasury has helped a lot with marketing.

Fox Sports
There was a meeting with Fox Sports, and they are trying to set something up where we can do joint marketing with Treasury. At this point, we are just waiting to see what they come up with.

SIPA Website
The SIPA site has been updated with the content management payment engine manuals. These allow EGE's to get information quickly without having to set up a meeting.

CI has also been working on two other documents including a Google press release and a letter to the legislature.

Discussion:

Bob Feingold asked when Appendix E was last reevaluated.

John Thomas responded that CI went over the list about six months ago, which was when the EGE's reaffirmed interest. However, it's time to do that again.   He added it is updated when EGE Agreements, project requests, and work orders are received.

Bob Feingold stated that he was just concerned seeing so many no's on the list.

John Thomas responded that when CI initially spoke with the departments, they didn't require them to sign up for anything. Rather they were just trying to gauge interest. Any time you put a signature document in front of people, it has a tendency to scare them away. Many of the agencies have gone and done something else so this needs to be updated.

ACTION ITEM: Colorado Interactive will update Appendix E.

Production Costs
John Thomas directed the group to page 19, which outlines the production cost to date. He noted that almost 300,000 dollars worth of man-hours have been spent out of the self-funded model. A lot of this was spent on the content management system. This, however, does not reflect the consulting hours. He added that the payment engine and COFRS integration also incurred a lot of cost. However, this was a very important project, and it couldn't be skimped. It needed to be done correctly without error.

John Thomas reminded the Board of the upcoming NIC Partner conference, and he encouraged the Board members to come and go as their schedules permitted.

IV.   Additional Discussion

Jack Arrowsmith stated that he knows that there is no such thing as unlimited resources. He asked if the first three tiers had enough dedicated resources to maintain the projects.

John Thomas replied that CI would be hiring another developer and project manager. He also stated that CI always has access to corporate resources if necessary.

Gregg Rippy added that he presented a few weeks ago that the CI business plan originally intended 13 employees, and CI had already reached 17 employees. Since revenues have been better than expected, CI ahs been able to add employees to be able to work on the queue.

Senator May asked who was planning to go the NIC Conference.

John Thomas encouraged Board members to talk with Representative Cadman, as participated in the conference last year in Chicago.

V.   Agenda Items for Next Meeting

None specific.

Next meeting is scheduled for:
Thursday, September 7, 2006
1:30 p.m. – 4:00 p.m.
Legislative Services Building
200 E. 14th Ave.
Audit Hearing Room, 1st Floor

Denver, CO

VI.   **Adjournment**

The meeting adjourned at 3:40 pm.